

SENATOR JOHN BREAUX

OPENING STATEMENT

“Breaking the Silver Ceiling: A New Generation of Older Americans Redefining the New Rules of the Workplace”

Today we are here to talk about how older Americans are “breaking the silver ceiling” in the workplace. Since 1985, there has been an upturn in the number of older Americans choosing to work past age 65. They are better educated, healthier and living longer than previous generations. They aren’t ready to sit in a rocking chair just because they are 62 or 65.

However, over the past 50 years both corporate and federal policies have encouraged workers to leave the workforce as early as possible. Social Security benefits allow people to retire as early as 62, with normal retirement age currently at 65. Today, 75 percent of Americans apply for Social Security benefits at age 62.

Companies built their pension plans to favor early retirement and to encourage the hiring of younger workers. I say it is time to re-evaluate these outdated policies because they don’t reflect modern society. We have millions of talented, healthy and energetic older Americans who want to keep working.

And it’s a good thing that older Americans want to work because there is a labor shortage looming in our country. As baby boomers reach retirement age in a few years, the economy will start to experience negative effects of mass retirements. There will be fewer younger workers to fill the mass vacancies of older, experienced workers.

The rate of workforce growth peaked in the 1970's at nearly 30 percent. However, it is now at 12 percent and expected to drop to less than one-fourth of 1 percent by 2020. Even if we increased immigration significantly we would still need millions of older workers to remain in the workforce.

Right now, this is still a “sleeping issue,” and much of corporate America has not recognized the need to retain and recruit older workers. But some companies have and they are listed in AARP’s list of top employers for workers over the age of 50.

Many older workers want to work part-time, or on and off throughout the year. They want to telecommute. Benefits like retraining, eldercare locator services, and time off to care for older relatives are important to them. Phased retirement is a concept that sounds appealing to most workers, but as we will hear today, it is still more a “concept” than a reality due to federal obstacles.

I strongly believe that it is time our country’s labor and pension policies reflect the new health and dynamism of older Americans. Let’s break down barriers and move past ageist stereotypes to allow more Americans to achieve their potential – no matter what their age.